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10/618,249	07/11/2003	Francis B. Brake JR.	47004.000251	4607
7590	04/16/2007		EXAMINER	
Thomas J. Scott, Jr. Hunton & Williams, Patent Dept. Suite 1200 1900 K Street Washington, DC 20006-1109			HARBECK, TIMOTHY M	
			ART UNIT	PAPER NUMBER
			3692	
SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE		
3 MONTHS	04/16/2007	PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)
	10/618,249	BRAKE ET AL.
	Examiner	Art Unit
	Timothy M. Harbeck	3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED' (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 29 January 2007.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1 and 35-67 is/are pending in the application.
 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1 and 35-67 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)	5) <input type="checkbox"/> Notice of Informal Patent Application
Paper No(s)/Mail Date _____	6) <input type="checkbox"/> Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 60, 63, 64 and 67 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The newly added claims call for the machine-readable format to include either a magnetic strip or an RFID tag. There is no support in the originally filed specification for this subject matter.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1 and 35-67 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cunningham (US Pat 6,014,645) in view of "Visa, MBNA and De La Rue Launch Multi-Function Smart Card Program," De La Rue Pic 7/06/1998 (hereinafter De La Rue).

Re Claim 1: Cunningham discloses a method using a computer system for a real time customer activation of a value card having a primary feature wherein the

system automatically processes a customer's activation of the value card (Column 2, lines 9-29), said system including a data entry processing center, a workstation, a graphical user interface, and a data storing means (SEE FIG 1) comprising the steps of:

- Receiving said customer's request into said system (Column 2, lines 15-19)
- Providing at least one or more safety features to determine whether said customer is the person whose name is printed on said transaction card (Column 3, lines 23-26)
- Activating the transaction card by confirming the customers desire to activate the primary value card use (Column 4 line 65-Column 5 line 5)
- Wherein prior to the activation of the primary feature or any secondary features, the multi-value card contains or is associated with information related to the primary feature and the one or more optional secondary features (Abstract 'The applicant peruses the offers and chooses one that meets his or her needs.' Perusing information associated with the primary card offer.)

Cunningham does not explicitly disclose the steps

- Wherein the value card is a multi-value card having a primary feature and at least one secondary feature; and

Wherein the steps of offering the options of activating the transaction card by

- Determining the customer's election to add a secondary credit card feature; and

- Identifying the customer's request to activate any additional features

And

- Storing information related to each feature on the multi-value card in a machine-readable format.

De La Rue discloses a Visa smart card that will place the functions of several traditional bankcards onto a single microchip (single card; machine readable format). These additional features include a credit feature, a stored cash feature and a rewards program. De La Rue further includes the step of determining the customer's election to add a secondary credit card feature; and identifying the customer's request to activate any additional features in the discussion of allowing up to nine different reward programs on the smart card. Specifically noted is that the applications of such programs can be changed to target different cardholders (Page 1; paragraph 3). It would have been obvious to anyone skilled in the ordinary art at the time of invention to include the teachings of De La Rue to the disclosure of Cunningham to create a real time credit card application system and method that would include a multifunction credit card. Cunningham is concerned with locating offers for financial cards for customers. De La Rue discloses a type of financial card with multiple features. Therefore a person of ordinary skill in the art would be motivated to include the card of De La Rue into the system of Cunningham since it represents a certain type of financial card that customers might be interested. By including a number of different financial card offers to the customers, Cunningham increases the odds that an appropriate match can be made, which is the ultimate motivation for the invention (Cunningham Abstract).

Re Claim 35: Cunningham discloses a computerized (SEE FIG 1) real time financial card application system comprising:

- A first activation activating at least one feature of the multi value card (Column 2, lines 9-29; activation is inherent in the acceptance of the offer)
- Allowing the customer to use the multi value card as a card having only said at least one feature (Column 2, lines 24-26). The step of accepting an offer indicates the customers intention to use the features of the cards (i.e. credit or debit feature)
- Wherein prior to activation of any features, the multi-vale card contains or is associated with information related to the different features (Abstract 'The applicant peruses the offers and chooses one that meets his or her needs.' Perusing information associated with the primary card offer.)

Cunningham does not explicitly disclose wherein the value card is a multi value card nor does Cunningham disclose the step of offering to the customer a subsequent activation of the multi value card to add at least a second feature or storing information related to each feature on the card in a machine-readable format. De La Rue discloses a Visa smart card that will place the functions of several traditional bank cards onto a single microchip (single card; machine readable format). These additional features include a credit feature, a stored cash feature and a rewards program. Furthermore De La Rue discloses the step of allowing up to nine different reward programs on the smart card. Specifically noted is that the applications of such programs can be changed to

target different cardholders (Page 1; paragraph 3). It would have been obvious to anyone skilled in the ordinary art at the time of invention to include the teachings of De La Rue to the disclosure of Cunningham to create a real time credit card application system and method that would include a multifunction credit card. It would be obvious then that a customer would have the ability to activate the different features that they desire so that they can have a single transaction card that is capable of performing functions that they deem appropriate.

Re Claim 36: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein said features enable the customer to establish direct relationships with different companies (Entire article, specifically paragraphs 2 and 4)

Re Claim 37: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein at least one feature offered for activation is a transaction card enabling the customer to establish a direct relationship with an individual company (See paragraph 4; rewards features at particular merchants represent a direct relationship with an individual (particular) company)

Re Claim 38: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses wherein at least one feature offered for activation is a credit card feature (Column 1, lines 15-17).

Re Claim 39: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein at least one feature is a rewards feature (Paragraphs 2 and 4)

Re Claim 40: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing sending the customer a card imprinted with the customers name in a direct mailing marketing piece, Cunningham does disclose the use of direct mailing for transaction cards (Column 1, lines 15-42) and it was notoriously well known, and therefore obvious to anyone skilled in the ordinary art at the time of invention, to include a preprinted card with the direct mailing information so as to expedite the time in which a customer can actually use the card. Without the preprinted card, the customer would have to wait for an additional piece of mail containing the physical card with their name.

Re Claim 41: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses the step wherein at least one feature activated during said first activation is a transaction card feature and at least one feature activated in a subsequent activation is a credit card feature (End of Paragraph 1)

Re Claim 42: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein said transaction card feature includes a rewards feature (End of Paragraph 1).

Re Claim 43: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein said rewards are based on a percentage of total amount spent during each transaction, this method for distributing

rewards points on a credit card is notoriously well known in the art and would therefore be obvious. In providing this method for distributing rewards points, customers are encouraged to spend more, with the idea that they will "get more back" in return.

Re Claim 44: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at a specific vendor (Paragraph 4; see dinner entrée example)

Re Claim 45: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at several vendors (Paragraph 4; "merchants").

Re Claim 46: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at any vendor or merchant who accepts the logo printed on the transaction card (paragraph 4).

Re Claim 47 and 48: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards are credited against at least one of the other features of the card (paragraph 4; This essentially defines the rewards feature; purchasing a product with rewards points reduces the secondary credit balance up to the amount of the purchase).

Re Claim 49: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the customer must agree to establish a credit account with a payment amount source in order to activate the primary transaction card use, De La Rue discusses the combination of a credit, stored value and

loyalty functions onto a single smart card (paragraph 1), which means that these accounts are in fact established with a payment amount source prior to any other use.

Re Claim 50: As previously noted in the rejection of Claim 8, the multi function smart card combines the credit (credit card); stored value (debit card) and loyalty functions onto a singe card, which establishes the payment amount sources as these particular cards. While not explicitly disclosing that the payment amount source is a check, it was well known in the art at the time of invention that often times a debit card is linked to a standard checking account, from which paper check can be written, and in a sense a debit card is just an electronic version of a paper check.

Re Claim 51: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the customer may automatically recharge the primary amount source when the payment source is depleted, this step was well known in the art at the time of invention. It has previously been established that the payment source can be either a debit card or a personal check that are almost always linked to a standard checking account a particular bank. The step of automatically recharging the amount source when the payment source is depleted is therefore just a simple deposit of money into the account through an automated means such as a automatic deduction from a paycheck that is normally directly deposited in to the account, a process that was notoriously well known in the art.

Re Claim 52: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the payment amount source is the secondary credit card feature, it was established in the rejection of claims 10-12 that the

payment amount source may be one of a credit card or debit card. De La Rue discloses that the multi purpose card can have a credit / stored value hybrid card, wherein the stored value card acts as the secondary feature. It would therefore be obvious, through the transitive property, that if the debit card can be the payment amount source as the secondary credit feature.

Re Claim 53: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses wherein said activation steps include the use of telephone, Internet, personal computer means or a combination thereof (Column 2, lines 15-17)

Re Claim 54: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing mailing a direct marketing mail piece containing an inactive multi value card and directing the customer to contact the automated activation process center to activate the card, Cunningham does disclose the use of direct mail marketing (Column 1 lines 15-42), and it was well known in the art at the time of invention that direct mail marketing for credit cards includes an inactive card as well as instructions for activating said card. It therefore would have been obvious to anyone skilled in the ordinary art to include this feature with the disclosure of Cunningham in view of De La Rue so that the additional steps of mailing an active card to the customer can be eliminated, therefore making the process much more efficient.

Re Claim 55: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing the step of initiating an automatic numbering identification system, this process was old and well known in the art at the time of

invention as a way to relate specific customers to a specific transaction card or account. If a numbering identification system were not present, it would be difficult to track customer accounts and also leave customers vulnerable to fraudulent activities from third parties.

Re Claim 56: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses the step wherein said first activation includes offering the customer an option to activate a primary transaction card feature, a credit card feature, an additional feature or combinations thereof (Paragraphs 1-2).

Re Claim 57: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing the step of updating the processing and statement account records, this step would have been obvious to anyone skilled in the ordinary art at the time of invention so as to have an up to date record of customer activities. If the account records were not updated on a regular basis, a customer could, for example exceed his maximum limit.

Re Claim 58: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses an eligibility check (Column 2, lines 11-15; "meet specific criteria"). While not explicitly disclosing wherein the check is to determine whether or not the card has already been activated and what features if any have already been activated, this step would have been obvious to someone skilled in the ordinary art at the time of invention to prevent redundant offers from being sent to customers. If a customer has already activated a particular feature on the transaction card, it would be a waste of time and money to contact them with offers for that same

feature. Furthermore, checking on these features will allow the company to solicit appropriate offers to customers since they will have a record of which features the customer does not have as well.

Re Claim 59: Cunningham in view of De La Rue discloses the claimed method supra but does not explicitly disclose the step of offering at least one rebuttal offer for activation of a different feature if an offer for activation of a feature is declined by the customer. However, this step would be obvious to anyone skilled in the ordinary art at the time of invention, so that the company can both inform the customer of all potential features and also maximize their potential revenue. The point of offering multiple features on one card is to claim a larger share of a particular customers financial business. If a company did not provide a counter offer to a customer, should they decline an initial offer, the company could be losing out on revenue from a different feature that the customer would be more inclined to accept.

Re Claims 60-67: Cunningham in view of De La Rue discloses the claimed method supra but does not explicitly disclose the steps wherein the machine readable medium format consists of, respectively, a magnetic strip, an embossment, visible printing, and an RFID tag. However, while De La Rue discloses the use of a smart chip feature, this is disclosed as a substitution for the “traditional magnetic stripe bankcards. (Page 2).” Therefore it would have been obvious to anyone of ordinary skill in the art to substitute the smart chip feature for the more traditional magnetic stripe as a simple design choice. Since the magnetic strip cards are more familiar to most merchants,

most would be more comfortable with this format initially, at least until the smart chip card is widely implemented.

Response to Arguments

Applicant's arguments filed 1/29/2007 have been fully considered but they are not persuasive.

The applicant has amended the claims to include the limitation of "wherein prior to the activation of the primary feature or any secondary features the multi-value card contains or is associated with information related to the primary feature and the one or more secondary features." However the examiner believes that Cunningham discloses this limitation in that a user of the Cunningham method "peruses the offers and chooses one that meets his or her personal selection criteria." In other words, before accepting an offer for the card, the user examines information associated with the feature(s) of the card.

Applicant further contends that Cunningham does not disclose any system or method used by a financial institution that may offer a customer a financial card to activate the card. The examiner respectfully disagrees. Cunningham explicitly discloses that "Following acceptance of an offer, the user's personal information is forwarded to the financial institution for processing and a financial card in accordance with accepted offer terms is sent to the user." (Column 2, lines 26-29). The applicant concludes that this card is not 'activated,' yet it is processed according to the accepted terms and sent to the user. The examiner submits that this constitutes the 'activating' of a credit card as is normally understood in the art. The applicant continues that there is

no disclosure of receiving a customer's request to activate the card into the system. To this the examiner submits that the customer's acceptance of the terms of a particular card is a request to activate the card. If this is not the case, then what exactly is the customer accomplishing in accepting the terms? Surely in agreeing to terms they are anticipating an active account with the features to which they agreed.

With regards to the safety features questioned by the applicant, the examiner maintains that Cunningham discloses this step in said Firewall between the router and the web server. The fact that Cunningham prefaces this disclosure with the statement that "security is a significant issue for online financial information systems," only further supports this position.

With regards to the applicants argument that De La Rue teaches away from the claimed invention because smart card technology and not a traditional method provides the benefits to cardholders and merchants, the examiner again respectfully disagrees. It has been found that, "Disclosed examples and preferred embodiments do not constitute a teaching away from a broader disclosure or nonpreferred embodiments. *In re Susi*, 440 F.2d 442, 169 USPQ 423 (CCPA 1971). "A known or obvious composition does not become patentable simply because it has been described as somewhat inferior to some other product for the same use." *In re Gurley*, 27 F.3d 551, 554, 31 USPQ2d 1130, 1132 (Fed. Cir. 1994). De La Rue consistently talks about the 'value-added services,' provided be the new smart cards, but the examiner is not persuaded by the applicant the smart chip enables the multi-functions of the card. Rather it provides "more flexible rewards programs, which afford greater benefits." Again the

article discusses benefits over prior uses in the way of the potential value smart chips can add to traditional methods. The smart chip is a preferred embodiment because of its greater potential, but this does not teach away from non-preferred traditional embodiments.

It is also noted that the applicant has failed to address the examiner's continued concern regarding the RFID tag and the magnetic stripe features as not having been disclosed in the originally filed specification. While removing these features from the independent claims, they appear again as new claims at the end of the current claim set. As previously noted in the last action, the applicant has contended that by disclosing well known examples of cards such as "credit cards, gasoline product cards, telephone calling cards, VISA credit cards, MASTERCARD credit cards, AMERICAN EXPRESS credit cards, debit cards and/ or the like that the various features of a magnetic strip, an embossment, visible printing and RFID or any combination thereof are, at least implicitly disclosed and fully supported by the Specification" (7/17/2006 Remarks page 7). Admitted prior art notwithstanding, the specification does not specifically list magnetic strips or RFID's. These limitations were not originally listed in the claims or the specification and appear to be an attempt to work around the "smart chip" aspect of the cited reference. The examiner is not persuaded by the applicant's argument that the "magnetic strip and RFID" are implicitly recited, while the smart chip storing method is not, even though the smart chip is disclosed in the prior art. In other words a person of ordinary skill in the art would not read the specification and conclude, from the broad

reference of various credit cards, that some well-known features of storing information on these credit cards are excluded unless explicitly stated.

Conclusion

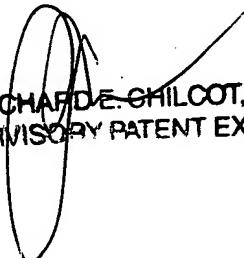
THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on 571-272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


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